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**DRAFT REGULATORY EVALUATION,
INITIAL REGULATORY FLEXIBILITY
DETERMINATION,
AND TRADE IMPACT ASSESSMENT**

PARACHUTE OPERATIONS

**NOTICE OF PROPOSED RULEMAKING
(14 CFR PARTS 65, 91, 105, and 119)**

OFFICE OF AVIATION POLICY AND PLANS
OPERATIONS REGULATORY ANALYSIS BRANCH, APO-3 10

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EXECUTIVE SUMMARY

This regulatory evaluation examines the potential benefits and costs of the Notice of Proposed Rulemaking (NPRM) to reorganize and revise the rules applicable to parachute operations. The FAA is proposing these actions to improve existing operating procedures that would enhance the safety of parachute operations, to clarify the intent of these rules, and to be in conformity with the International Civil Aviation Organization requirements for parachute operations.

The FAA has determined that there would be little or no cost associated with the proposed revision of part 105 as described in this NPRM. The benefits of such revision would be to reduce the likelihood of midair collision involving aircraft engaged in parachute operations, and reduce the risk of coming in proximity to parachutists who were descending to the ground after exiting the aircraft near an airport or within controlled airspace.

The proposed rule would not have a significant impact on a substantial number of small entities nor constitute as a barrier to international trade. In addition, the proposed rule does not contain a federal intergovernmental or private sector mandate that exceeds \$100 million a year.

I. INTRODUCTION

This regulatory evaluation is performed in accordance with Executive Order 12866, which requires analysis of each regulation to determine the relationship of its benefits to costs. The proposed rule would clarify some sections and permit certain operations that currently are allowed only by exemptions granted by the Federal Aviation Administration (FAA). The proposed rule would rename part 105, define terms associated with parachute operations, and would require that parachute operations be coordinated with the air traffic control facility having jurisdiction over the airspace in which the operations will be conducted. The proposed rule would also require pilots operating an aircraft engaged in parachute operations at an airport to establish and maintain communications with the airport traffic control tower regardless of whether that control tower is or is not operated by the United States. In addition, the proposed rule would permit tandem free-fall parachute operations using an FAA-approved dual-harness system capable of supporting two parachutists, and would permit a certificated senior or master parachute rigger to supervise other persons (who are not certified) in packing parachutes for which the certified rigger is rated, and would permit foreign parachutists to make jumps in the United States using their own parachutes manufactured and packed in their country of origin. The proposed rule would also require certain persons to report any parachute

operation requiring activation of the reserve parachute or resulting in a serious injury or fatal injury to a parachutist. In addition, the proposed rule would create an exception for parachutists not to use static-line assist devices for ram-air parachutes. Also, the proposed rule would harmonize some section with annex 2 of ICAO.

In addition to the regulatory evaluation, this document also contains an Initial Regulatory Flexibility Determination, which analyzes the economic effect of the proposed regulatory changes on small entities, as required by the Regulatory Flexibility Act of 1980. This document also contains an assessment of the effect of the proposed regulatory changes on international trade, as required by the Office of Management and Budget. Finally, this document contains an Unfunded Mandate Assessment.

II. DESCRIPTION AND EVALUATION OF THE PROPOSED RULE

Currently part 105 is titled "Parachute Jumping" and prescribes the rules applicable to "parachute jumps." The proposed rule changes the title to "Parachute Operations". The change reflects the FAA's belief that the term "parachute operations" accurately describes activity addressed in part 105. The term "parachute operations" would be defined as any activity that includes a parachute jump or a parachute drop. This activity involves, but is not limited to, the following persons: parachutist, tandem parachute operation, drop zone owner or operator,

certificated parachute rigger, pilot, or appropriate FAA personnel. The proposed definition of "parachute operations" includes these personnel and their duties in relation to parachute jumps and drops.

The FAA proposes to distinguish between the terms "parachute jump" and "parachute drop." The FAA proposes to use the term "parachute jump" to refer to the type of parachute operation that involves the descent of one or more persons to the surface from an aircraft in flight when a parachute is used or intended to be used during all or part of that descent, and "parachute drop" to refer to a parachute operation that involves the descent of an object to the surface from an aircraft in flight when a parachute is used or intended to be used during all or part of that descent. Throughout the proposed rule language, the terms "parachute operations," "parachute jump," and "parachute drop" are used where appropriate to replace the term "parachute jumps." In addition, the FAA has proposed several editorial corrections and organizational changes to part 105. These and other proposed changes are discussed section by section below.

§105.1 Applicability

This proposed section incorporates the requirements of current §105.1 Subpart A-General Applicability and 105.11 Subpart B-Operating Rules-Applicability. While part 105 currently applies to parachute operations conducted in the

United States, the proposed section would make part 105 applicable to parachute operations conducted in the United States and its territories. There would be no additional cost incurred for this change.

§105.3 Definitions

This proposed section would be new to part 105. It would contain the following definitions of terms associated with parachute operations, "approved parachute," "automatic activation device," "drop zone," "fatal injury," "foreign parachutist," "free fall," "main parachute," "object," "parachute drop," "parachute jump," "parachute operation," "parachutist," "parachutist in command," "passenger parachutist," "pilot chute," "ram-air parachute," "reserve parachute," "serious injury," "single-harness, dual-parachute system," "supervision," "tandem parachute operation," and "tandem parachute system." This change would clear up any confusion surrounding parachute terminology.

§105.5 General

This proposed section is based on current 5105.13. The proposed rule would replace the term "make" with the phrase "to conduct," the term "parachute jump" with the term "parachute operation," the term "made" with the term "conducted," and the term "jump" with the term "operation."

§105.7 Use of alcohol and drugs

The proposed section has been renumbered from §105.35 Liquor and Drugs. The proposed rule substitutes the term "alcohol" for the term liquor because alcohol is a more general term that includes liquor.

§105.9 Inspections

The proposed section contains requirements currently found in §105.37 with no substantive changes.

§105.13 Radio equipment and use requirements

This section is based on current §105.14. The FAA proposes to require radio communications between the pilot of an aircraft involved in parachute operations in controlled airspace and the air traffic control facility having jurisdiction over the affected airspace. The proposed section would be in harmonization with annex 2 of ICAO.

The FAA also reviewed a selection of Aviation Safety Reporting (ASR) System reports filed with the National Aeronautics and Space Administration between February 1992 and November, 1998. The FAA studied numerous ASR reports, in which pilots reported near midair collisions between their aircraft and aircraft involved in parachute operations. In addition, other reports involved aircraft

flying in close proximity to parachutists who were descending to the ground near an airport or within controlled airspace.

The ASR reports are submitted voluntarily. According to NASA, the existence of reports concerning a specific topic in the ASRS database cannot, therefore, be used to infer the prevalence of that problem within the National Airspace System. However, these reports are often used by the FAA to provide further background information and insight into safety issues that are already being addressed by the FAA.

The ASR reports relate numerous incidents where aircraft on instrument flight plans were not provided with traffic advisories of parachute operations along their route of flight. In some cases, the air traffic controller was not in communication with the aircraft involved in parachute operations, and in other cases, not even aware the parachute activity was taking place. This proposal will ensure that aircraft involved in parachute operations are in communication with the appropriate ATC facility, thereby facilitating the exchange of traffic advisories, and reducing the risk of midair collisions between aircraft and persons conducting parachute operations.

In addition to enhancing safety, the proposed requirements would conform with annex 2 of the International Civil

Aviation Organization (ICAO), "Rules of the Air," Chapter 3.1.6, "Parachute Descents," which states that "parachute descents, other than emergency descents shall not be made except under conditions prescribed by the appropriate authority and as indicated by relevant information, advice and/or clearance from the appropriate air traffic services unit."

The FAA is proposing to change the way towers are referenced in the regulations, in part, due to an FAA internal safety evaluation (REC. ASQ-91-024AT) issued on February 8, 1996, that recommends deleting references in the regulations to "towers operated by the United States." This safety evaluation was issued to ensure standardization of operational procedures and rules at airports that have a non-federal air traffic control tower.

The amendment of this section would impose only minimal cost to the pilot in command, parachutists, and the FAA.

§105.15 Information required and notice of cancellation or postponement of parachute operations

The proposed section is based on current §105.15(c) and 9105.25. Proposed paragraph (a)(8) would require each person requesting authorization under §§105.21 and 105.25 (a)(2) and each person submitting notification under

§105.25(a)(3) to specify the radio frequencies appropriate to the facilities to be used during the parachute operation, rather than the radio frequencies available in the aircraft.

Proposed paragraph (b) is based on current §105.15(c).

Proposed paragraph (c) would require the pilot in command of an aircraft involved in parachute operations to promptly notify the air traffic control facility having jurisdiction over the affected airspace if the proposed or scheduled parachute operation is canceled or postponed. The reorganization of this section would not impose any additional cost on the parachutists or pilot in command.

§105.17 Flight visibility and clearance from cloud requirements

This proposed section contains the flight visibility and clearance from cloud requirements currently found in

§105.29. No substantive changes are proposed to the current requirements.

§105.19 Parachute operations between sunset and sunrise

Current §105.33 requires persons making parachute jumps between sunset and sunrise to be equipped with a light that is displayed and visible for 3 miles from the time that person exits the aircraft until that person reaches the surface. Proposed §105.19 would specify that each person

must display a light that is visble for 3 statute miles in all directions.

The proposed rule would also allow objects equipped with a light to descend from an aircraft in flight between sunset and sunrise. Each object that is dropped from an aircraft must display a light that is visible for 3 statute miles in all directions from the time the object is dropped from the aircraft until the object reaches the surface. The cost per light would be minimal, \$50 or less. This proposed section would be in harmonization with annex 2 of ICAO.

§105.21 Parachute operations over or into a congested area or an open air assembly of persons

This proposed section contains provisions currently found in §105.15 and contains one change. The FAA proposes to remove the 4-day requirement to apply for a certificate of authorization, since the administrative time necessary to process such requests has been reduced.

§105.23 Parachute operations over or onto airports

The FAA proposes to revise current §105.17, which allows parachute operations to be conducted at airports having a control tower not operated by the FAA without prior coordination with that facility. For airports with an operating control tower, proposed paragraph (a) of this section would require: (1) prior approval from the airport management and the control tower to conduct parachute

operations over or onto the airport; and (2) pilots of aircraft involved in parachute operations over or onto an airport with an operating air traffic control tower (hereafter referred to as "control tower") to establish two-way radio communication with the control tower regardless of whether the control tower is operated by the United States or another entity.

For airports without a control tower, the proposed rule would retain the requirement that pilots of aircraft involved in parachute operations obtain prior approval from management of the airport to conduct parachute operations over or onto that airport.

Implementation of the proposed communication requirements in this section would reduce the risk of midair collisions between aircraft and persons conducting parachute operations and other aircraft operating in the area because the ATCT having jurisdiction over the airspace would be apprised of the status of a parachute operation within its airspace. This information can then be communicated in a timely manner to other aircraft operating within the same airspace.

There is negligible cost associated with requiring the pilots of aircraft to establish and maintain communications with the ATCT prior to conducting parachute operations at airports or to receive prior approval of airport management

to conduct parachute operations at airports that do not have operating control towers.

§105.25 Parachute operations in designated airspace

The proposed section contains provisions currently found in §§105.19, 105.23, and 105.27. Proposed paragraph(a) (1) would contain the requirements currently in §105.27 for parachute operations in restricted or prohibited airspace. Proposed paragraph (a) (2) addresses parachute operations in Class A, Class B, Class C, and Class D airspace, which are currently in 105.19. Proposed paragraph (a) (3) is based on the current 105.23 and would use the Class E and Class G airspace designations instead of the phrase "other airspace" as used in current 105.23. This revised section would clarify the "other airspace" category."

§105.27 Accident reporting requirements.

This section would require the parachutist, the pilot of the aircraft, or the drop zone owner or operator to report within 48 hours any parachute operation resulting in a serious or fatal injury to the parachutist.

The FAA proposes a requirement to report all serious or fatal accidents involving parachute operations. By collecting more data and information on all parachute accidents, the FAA would be in a better position to evaluate

safety trends and to resolve safety issues. There is negligible cost associated with the new reporting requirements for the parachutist, for the pilot of aircraft involved in the parachute operation, or for the operator of the drop zone in which the accident occurred.

§105.41 Applicability.

This section has been amended to read, "this subpart prescribes rules governing parachute equipment used in civil parachute operations."

§105.43 Use of single-harness, dual-parachute systems.

This proposed section is based on current §105.43(a) and proposes one change. This section currently provides that only a certificated parachute rigger, or the person making the parachute jump with that parachute, may pack a main parachute. The FAA proposes to include that a main parachute may be packed by a person under the direct supervision of a certificated parachute rigger.

§105.45 Use' of tandem parachute systems.

This proposed section would allow tandem parachute operations, and would incorporate the conditions and limitations, with some modification, set forth in the grants of exemption issued to experimental tandem parachute operators. These conditions and limitations include

instructor experience requirements, briefings for passenger parachutists, equipment inspections, and packing requirements. Because the FAA no longer refers to passenger parachutists as students, those persons would be referred to as "passenger parachutists," and tandem instructors would be referred to as "parachutists in command." In addition, the FAA proposes that a certificated parachute rigger supervise persons packing parachutes who are not certificated under part 65, unless the person packing the parachute is a parachutist in command.

The parachutist in command would be required to provide evidence of previous experience in tandem operations and would be required to conduct passenger parachutist briefings before each flight on parachute operations and tandem procedures.

By permitting the use of tandem parachutes, FAA is recognizing the growth and popularity of tandem parachute operations in the United States. FAA's first exemption to authorize tandem parachute operations was issued in 1984. Since then, more than 2.5 million experimental tandem parachute jumps have been conducted throughout the world, including those operations conducted under exemption authority in the United States.

When part 105 was originally issued, the only civilian parachute operations being conducted involved single-harness, dual-parachute equipment, which allow a single person to descend to the surface from an aircraft in flight while using a parachute. Since then, the parachuting industry has developed new harness systems that support two people under a single canopy. Because part 105 only allows parachute operations with "single-harness" parachutes, an operator of parachute equipment that has a harness capable of supporting two people must obtain an exemption from part 105 to conduct that type of parachute operation. These exemptions allow operators to conduct parachute operations using "dual-harness" parachute packs; that is, a harness assembly that supports two persons. For purposes of the exemptions, the FAA and the parachuting industry have adopted the term "tandem" to describe those parachute operations that use a dual-harness dual-parachute system.

Comparing the fatality rate of tandem parachute operations and parachute operations allowed by current regulations, the FAA finds that the various companies operating under an exemption from part 105 have demonstrated that tandem parachute operations can be conducted safely. The FAA reviewed accident statistics from 1991 through 1996, of 16,990,000 total parachute operations conducted, 670,707 were tandem operations. Of the total parachute operations,

194 resulted in fatalities, 8 of which involved the use of tandem parachutes.

The following table provides the overall fatality rates of experienced jumpers for single-harness and tandem parachute operations based on statistics gathered by the FAA and USPA from 1991 to 1996:

Experienced Skydivers

	Single-Harness	Tandem
Total number of jumps	16,990,000	670,700
Total number of fatalities	194	9
Fatalities per 100,000 jumps	1.2	1.3

For first time skydivers, the results were as follow: of a total of 403,500 jumps using a static line, the fatality rate was 2.7 deaths per 100,000 jumps. For first time tandem skydivers: for a total of 670,700 jumps, the fatality rate was 1.2 deaths per 100,000 jumps.

First Time Skydivers

	Single-Harness	Tandem
Total number of jumps	403,500	670,700
Total number of fatalities	11	8
Fatalities per 100,000 jumps	2.7	1.2

During the period 1991-96, the fatality rate for experience jumpers using tandem parachutes was slightly higher (1.3 deaths per 100,000 jumps) than for jumpers using single harness parachutes (1.2 deaths per 100,000 jumps). However, this difference is not statistically significant. For first

time skydivers, the rate for tandem was actually lower than for single harness jumpers-- 1.2 deaths versus 2.7 deaths in 100,000 jumps.

There is only minimal cost associated with complying with the proposed section on use of tandem parachutes because it incorporates the conditions and limitations set forth in the grants of exemption issued to experimental tandem parachute operators with certain conditions.

§105.47 Use of static lines

This proposed section is based on the current §105.43(b) and would no longer require the use of assist devices with ram air parachutes. The USPA submitted a second petition for rulemaking in July 1997 requesting that the FAA amend section 105.43 to permit parachute operations using static-line, direct-deployed, ram-air parachutes without using a static-line assist device.

Skydiving schools and parachute manufacturers have been concerned that a direct deployment assist device could cause canopy damage and malfunctions. Due to this concern, the USPA Safety & Training Committee and the Parachute Industry Association Technical Committee, conducted a series of tests to determine the effect of the required device in 1989. The tests showed that an assist device does not improve the reliability of the static line direct deployment of a ram-

air canopy. The tests also show that there are no adverse effects when the device is removed.

As a result of these tests, the FAA believes that safety would not be compromised by removing the static-line assist device requirements for ram-air parachutes.

§105.49 Foreign parachutists and equipment

This proposed section addresses the equipment and packing requirements for foreign parachutists. The proposed rule would incorporate, with certain modifications, the conditions and limitations set forth in the grants of exemption issued to organizations that sponsor events attended by foreign parachutists. This proposed section would be in harmonization with annex 2 of ICAO.

Part 105 states that only a certificated parachute rigger can pack an reserve parachute. Specifically, §105.43(a) states that no person may make a parachute jump wearing a single-harness, dual-parachute pack having at least one main parachute and one approved reserve parachute, unless the main parachute is packed by a certificated parachute rigger or by the person making the jump, within 120 days before the date of its use, and the reserve parachute is packed by a certificated and appropriately rated parachute rigger. The requirements of §105.43(a) were originally adopted to

protect parachutists from inadequate equipment at a time when the sport parachute industry was virtually nonexistent. Accordingly, part 105 currently does not except foreign parachutists and the use of foreign equipment from the requirement that certificated parachute riggers must pack reserve parachutes. Therefore, foreign parachutists making parachute jumps in the United States with their own equipment are required to have their reserve parachute packed by a U.S. certificated parachute rigger.

As a result of this requirement, experienced foreign parachutists must operate under an exemption from the provisions of §105.43(a) to use their own parachute equipment while conducting parachute operations in the United States. Since 1972, the FAA has issued such exemptions to organizations sponsoring parachuting events attended by foreign parachutists and finds that those operations conducted under these exemptions have proven to be safe.

The FAA recognizes that the parachute equipment industry has become more sophisticated and safety conscious, and foreign manufacturers of parachute equipment often meet U.S. standards. In addition, permitting the practice of having foreign parachutist use parachutes that are packed in their country of origin, would encourage foreign countries to grant permission for U.S. skydivers to jump in those

countries using parachutes packed in the United States. Therefore, the FAA proposes to add §105.49 to address foreign parachutist equipment and operations.

There are negligible costs associated with this section because the proposed rule only incorporates, with certain modifications, the conditions and limitations set forth in the grants of exemption issued to organizations that sponsor events attended by foreign parachutists and therefore imposes no new costs.

Changes to Other 14 CFR Parts

To standardize the proposed rule language with the language of other regulations, the FAA proposes to amend sections of 14 CFR parts 65, 91, and 119 applicable to parachute operations. In addition, section 65 also contain proposed language to permit persons other than a certificated parachute rigger to pack parachutes as long as it is performed under supervision of a certificated parachute rigger.

§65.111 Certificate required

Currently, §65.111(a) states that no person may pack, maintain, or alter any personnel-carrying parachute intended for emergency use in connection with civil aircraft of the United States (including the reserve parachute of a dual

parachute system to be used for intentional parachute jumping) unless he holds an appropriate current certificate and type rating issued under this part and complies with s65.127 through 65.133. The FAA proposes to revise paragraph (a) to change the word "auxiliary" to "reserve" and the reference to "he" to "that person/ Currently, §65.111(b) states that no person may pack any main parachute of a dual parachute pack unless that person has an appropriate current certificate or is the person making the jump using that parachute. The FAA proposes to revise paragraph (b) to allow persons to pack a main parachute in accordance with §105.43(a) under the supervision of a certificated parachute rigger or to allow a parachutist in command to pack a main parachute in accordance with §105.45(b)(1). The FAA proposes a word change to the provision that a person may pack a main parachute if that person intends to make the next parachute jump using that parachute.

§65.125 Certificates: Privileges

The current §65.125 permits a certificated parachute rigger to supervise other non-certificated persons **in the packing** of any type of parachute for which the certificated parachute rigger is rated.

The FAA proposes to revise paragraphs 65.125(a)(2) and 65.125(b)(2) by requiring that a certificated rigger supervise other non-certificated persons packing parachutes in accordance with section 105.43(a) or section 105.45(b)(1).

The FAA is concerned about the various interpretations of the term "supervision." As a result, the FAA proposes to clarify the meaning of the term "supervision" in the proposed regulation by specifying that certificated parachute riggers must be present where the parachute packing is taking place by noncertificated parachute riggers. Certificated parachute riggers would be required to direct, watch over, consult with, and scrutinize the work and performance of the person who is not a certificated parachute rigger, unless the person packing the parachute is (1) the person making the parachute jump with that parachute or (2) a parachutist in command conducting a parachute jump in accordance with 105.45.

For §§65.111 and 65.125, the FAA has determined that clarifying existing requirements would impose negligible cost on those engaged in parachute packing. The FAA requests specific comments and cost data on the supervision of noncertificated parachute packers by certificated parachute riggers.

§91.307 Parachutes and Parachuting

The FAA proposes to revise paragraph (b) by replacing "make" with "conduct," and "parachute jump" with "parachute operation/ This revision would make the proposed rule consistent with terminology in Part 105. There would be no additional cost for making the terminology in this section consistent with Part 105.

§119.1 Applicability

The FAA proposes to amend paragraph (e) (6) to read, "Nonstop flights conducted within a 25 statute mile radius of the airport of takeoff carrying persons or objects for the purpose of conducting intentional parachute operations/ The proposed rule adds the words "or objects" and changes the word "jumps" to "operations". This revision would make the proposed rule consistent with terminology in Part 105 and there are no additional cost associated with implementing this revision.

III. COMPARISON OF BENEFITS AND COSTS

The benefits of the proposed rule are (1) it should reduce the risk of a midair collision between aircraft and persons engaged in parachute operations, and reduce the risk of aircraft coming in close proximity to the parachutists in the vicinity of an airport or within controlled airspace, (2) it would reorganize and revise the rules applicable to parachute operations, (3) it would clarify some sections and permit certain operations that currently are only allowed by exemptions granted by the FAA, and (4) it would also harmonize some sections with annex 2 of ICAO. The proposed changes to part 105 would pose little or no cost to parachutists, sky diving training schools, and certificated parachute riggers. In addition, because the requirements of the proposed sections for tandem parachute operations and parachute jumps by foreign parachutists already are being met under exemptions granted by the FAA, the proposal would not impose additional business expenses on skydiving schools. Costs imposed on the FAA are minimal as well since, the agency would not need to provide additional oversight of parachute operations under the revision of Part 105.

IV. INITIAL REGULATORY FLEXIBILITY DETERMINATION

The Regulatory Flexibility Act of 1980 (RFA) establishes "as principle of regulatory issuance that agencies shall endeavor, consistent with the objective of the rule and of applicable statutes, to fit regulatory and informational requirements to the scale of the business, organizations,

and governmental jurisdictions subject to regulation/ To achieve that principal, the Act requires agencies to solicit and consider flexible regulatory proposals and to explain the rational for their actions. The Act covers a wide-range of small entities, including small businesses, not-for-profit organizations, and small governmental jurisdictions.

Agencies must perform a review to determine whether a proposed or final rule would have a significant economic impact on a substantial number of small entities. If the determination is that it will, the agency must prepare a regulatory flexibility analysis (RFA).

However, if an agency determines that a proposed rule is not expected to have a significant economic impact on a substantial number of small entities, section 605(b) of the 1980 act provides that the head of the agency may so certify and an RFA is not required. The certification must include a statement providing the factual basis for this determination, and the reasoning should be clear.

The FAA conducted the required review of this proposal and determined that it would not have a significant economic impact on a substantial number of small entities.

Accordingly, pursuant to the Regulatory Flexibility Act, 5 U.S.C. 605(b) , the FAA certifies that this rule would not have a significant economic impact on a substantial number

of small entities for the following reason: the proposed rule would require an additional expense of less than \$1,000 per entity (parachute lofts and clubs, sky diving training schools, and certificated riggers) in excess of normal business expenses. Major aspect of this rulemaking such as permitting tandem parachute operations would not impose additional business expenses for compliance on sky diving schools and parachute lofts because these entities currently adhere to the requirements of the proposed rule through grants of exemptions issued by the FAA under part 105. The FAA solicits comments from affected entities with respect to this finding and determination.

V. INTERNATIONAL TRADE IMPACT ASSESSMENT

The FAA has determined that the rule would promote parachuting by foreign parachutists in the United States. The proposed rule would permit foreign parachutists to jump in the United States using parachutes that are packed in their country of origin and thereby encourage foreign countries to grant permission for U.S. skydivers to jump in those countries using parachutes packed in the United States. In addition, enactment of the proposed rule would make U.S. standards for parachute operations in harmony with the ICAO standards for parachute operations.

VI. UNFUNDED MANDATES

Title II of the Unfunded Mandates Reform Act of 1995 (the Act), enacted as Pub. L. 104-4 on March 22, 1995, requires

each Federal agency, to the extent permitted by law, to prepare a written assessment of the effects of any Federal mandate in a proposed or final agency rule that may result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of \$100 million or more (adjusted annually for inflation) in any one year. Section 204(a) of the Act, 2 U.S.C. 1534(a), requires the Federal agency to develop an effective process to permit timely input by elected officers (or their designees) of State, local, and tribal governments on a proposed "significant intergovernmental mandate." A "significant intergovernmental mandate" under the Act is any provision in a Federal agency regulation that would impose an enforceable duty upon State, local, and tribal governments, in the aggregate, of \$100 million (adjusted annually for inflation) in any one year. Section 203 of the Act, 2 U.S.C. 1533, which supplements section 204(a), provides that before establishing any regulatory requirements that might significantly or uniquely affect small governments, the agency shall have developed a plan that, among other things, provides for notice to potentially affected small governments, if any, and for a meaningful and timely opportunity to provide input in the development of regulatory proposals.

This rule does not contain a Federal intergovernmental or private sector mandate that exceeds \$100 million a year, therefore the requirements of the act do not apply.